# Guidelines for Submitting Oil and Gas Expressions of Interest and Noncompetitive Offers.

### **Expressions of Interest**

An Expression of Interest (EOI) is an informal nomination to request that certain lands be included in an oil and gas competitive lease sale. No filing fee or rental is required to submit an EOI. An EOI must be made in writing (no specific form required) and mailed to the BLM State Office having jurisdiction over the lands. For lands located in the state of Nevada, please mail your EOI to the BLM Nevada State Office. For submission due dates, review the Oil and Gas Lease Sale Schedule on the Nevada State Bureau of Land Management website.

Please note, EOI's are not automatically placed on a sale when received and we cannot guarantee that the requested lands will always be included on a particular sale notice. The parcels must be reviewed for availability and environmental concerns prior to being placed on a sale. **However, presale offers take priority.** 

In accordance with Leasing Reform IM 2010-117, the BLM is required to post notice of Competitive Sale 90 days prior to the sale. The oil and gas plats also must be notated with the parcels 90 days prior to the sale. The BLM will post sale notices in the BLM Nevada State Office Information Access Center (IAC) and online at: <a href="http://www.blm.gov/nv/st/en/prog/minerals/leasable\_minerals/oil\_\_gas/oil\_and\_gas\_leasing.html">http://www.blm.gov/nv/st/en/prog/minerals/leasable\_minerals/oil\_\_gas/oil\_and\_gas\_leasing.html</a>

### **Guidelines for Submitting an Expression of Interest (EOI):**

When submitting an EOI, please note the following changes:

The BLM no longer requires submitters of EOI's to provide their name or address. You may still provide this information for contact purposes; however, the BLM will make this information available to the public. If you consider your name and address to be confidential, do not include it in your EOI. The BLM will release all EOI's received after January 01, 2014, to the public. In an effort to improve transparency, each state office will make all new EOI submissions received on or after January 1, 2014, available to the public on each state's public website.

#### Information to include in an EOI request:

- Optional Your name or company name with mailing address and telephone number.
- Name and address of any private surface owners. For more information on split estates, consult the information provided below.
- Complete legal land description broken into parcels\*:
  - A parcel can be no more than 2,560 acres or be smaller than 40 acres.
  - Parcels must be entirely within six (6) miles square.
  - Describe each parcel by specific legal land description (township, range, section, county, acreage and aliquot part).
- If you are requesting an entire township, identify the available lands.
- If the EOI contains all lands in a former lease, you must also provide the lease serial number.

We have provided samples for submitting an EOI request with the BLM Nevada State Office: <u>blank EOI sample</u> and <u>filled-in EOI sample</u>. These samples do not constitute official Bureau of Land Management forms nor are you required to use these samples. Rather, these samples are only posted for your reference and convenience.

<sup>\*</sup> Parcels will normally be configured as requested; however, BLM reserves the right to adjust the parcel size as needed.

### Do your Homework:

Regulations pertaining to competitive leasing can be found at 43 Code of Federal Regulations (CFR) 3120.

Prior to submitting your EOI, please review BLM public records to make certain that the lands are available for leasing. Examples of lands that BLM cannot place for sale include, but are not limited to, the following:

- Lands under lease;
- Lands where minerals ownership is not federally owned;
- Lands within city limits;
- Lands withdrawn from mineral leasing;
- Lands within designated or proposed wilderness areas (WSA/DWA);
- Lands within an Indian Reservation:
- Lands with mineral entry applications;
- Lands with patented mining claims;
- Lands included in an active oil and gas lease;
- Lands with non-Federally owned minerals;
- Lands offered for sale within the last two years; and

**Acquired and Public Lands:** Do not mix public domain land and acquired land. These two (2) land types cannot be issued under one lease.

Surface Management Agencies: BLM suggests that you do not mix BLM managed surface with that of another Surface Management Agency (SMA) in an EOI. Two separate EOI's would be preferable. As a policy, BLM will always attempt to work any land in an EOI that is BLM public domain for a sale, and forward the remaining lands to the respective SMA for leasing concurrence. However, please be prepared for the situation in which responding to BLM's request for stipulations and concurrence/consent may not be high on another SMA's list of priorities. This may hold up the request for a significant amount of time. Additionally, an SMA may need to prepare or update its NEPA documentation which may require additional time.

**Split Estate:** Anyone submitting an EOI, which includes split estate lands (private surface/Federal minerals), must provide the name and address of the current private surface owner(s). Whenever a split estate parcel is included in an oil and gas Notice of Competitive Lease Sale, the BLM will send a courtesy letter to the surface owner(s). The letter will provide the surface owner(s) notice of the scheduled competitive lease sale as well as information about the BLM's regulations and procedures for Federal oil and gas leasing and development on split estate lands. If the EOI does not provide the name and address of the surface owner(s), it will not be processed by the BLM, and such lands will not be placed on a list of lands included in a Notice of Competitive Lease Sale.

**Unit Agreements:** A parcel cannot cover lands both inside and outside a unit agreement.

**EOI's over 5,000 acres:** BLM recommends that if you submit a large EOI (over 5,000 acres or several townships) that you prioritize the lands. If the EOI is large enough in scope, the BLM may not be able to work the entire EOI for inclusion in one sale. Therefore, it is to your benefit to inform the BLM which lands are a priority for you.

### **Reviewing the Land Records:**

For detailed instructions on Master Title and Use Plats, visit: http://www.nv.blm.gov/LandRecords/help.html.

The BLM Nevada Land Records are located at: http://www.nv.blm.gov/LandRecords/

Check plat notations on patents for mineral ownership reserved by the United States. This information can be found at: http://www.glorecords.blm.gov/.

Learn to read information on the plats and supplemental note sheets. For example, the right margin will tell you:

- When an entire township is within a withdrawal (Forest Service, coal, oil shale);
- Some unit and CA boundaries;
- Some powersite withdrawals;
- Wilderness Study Area lands and boundaries are not shown on plats or noted in the margin. BLM has a map available called "State of Nevada, Wilderness Status Map," which details the WSA's.

You may obtain copies of the Sale Notices and oil and gas plats from our Information Access Center, located in the Nevada State Office or by calling (775) 861-6500. It is your responsibility to check the sale notices for the posting of your parcel(s). The BLM will not notify you when your parcels are posted. For information on Nevada's oil and gas lease sales, visit the BLM website at:

http://www.blm.gov/nv/st/en/prog/minerals/leasable\_minerals/oil\_\_\_gas/oil\_and\_gas\_leasing.html

### **Non-Competitive Offers**

Noncompetitive leases may be issued only for parcels that have been offered competitively and failed to receive a bid. A noncompetitive lease is obtained by filing a noncompetitive offer to lease. The different types of noncompetitive offers to lease are referred to as Presale offers and Postsale offers. Postsale offers include Dayafter-sale offers and 2-year window offers.

All noncompetitive offers to lease must be made on a BLM-approved form. Noncompetitive offers must include payment of a nonrefundable filing fee and the first year's advance rental. Current information on filing fees and annual rentals is located at both 43 CFR 3000.12 and 43 CFR 3103.2-2.

### Noncompetitive Offer to Lease – Presale Offers

A presale offer is a formal nomination for lands to be included in an oil and gas competitive sale. The offeror receives priority as of the time and date the offer is filed in the proper BLM office. If no bid is received at the sale's oral auction, and all requirements are met, a noncompetitive lease shall be issued to the appropriate offeror.

A presale offer must be made on Form 3100-11, "Offer to Lease and Lease for Oil and Gas" (10/2008 or later edition). You must submit at least one (1) original form plus two (2) copies. Forms must be typewritten or printed in ink and manually signed in ink and dated by offeror or offeror's authorized agent. The offer must include a filing fee, first years advance rental. Remember to round up your acreage when calculating rental. Executing the lease form signifies agreement to standard lease stipulations and/or any additional stipulations posted to lands on a competitive sale notice. **Presale offers cannot be held confidential.** 

## Noncompetitive Offer to Lease – Postsale Offers

Following an oil and gas competitive sale, all the lands that were offered competitively, but received no bids will be available for noncompetitive lease issuance for two years, beginning the first business day following the last day of the auction, as specified in the Sale Notice. To obtain a noncompetitive lease on these lands, a postsale offer can be submitted for a noncompetitive lease on any of the parcels that did not receive bids.

A postsale offer must be made on Form 3100-11, Offer to Lease and Lease for Oil and Gas (10/2008 or later edition). You must submit at least one (1) original form plus two (2) copies. Forms must be typewritten or printed in ink and manually signed in ink and dated by offeror or offeror's authorized agent. The offer must include a nonrefundable filing fee and first years advance rental. Executing the lease form signifies agreement to standard lease stipulations and/or any additional stipulations posted to lands on a competitive sale notice. The offeror receives

priority as of the time and date the offer is filed in the proper BLM office. Noncompetitive Offers to Lease cannot be held confidential.

**Offers Filed During Month of Sale**: Offers filed from the first day following the end of the competitive sale until the end of that same month ("parcel integrity period") must be made for the entire parcel included in the sale notice and must describe the lands by that single parcel number appearing in the sale notice.

Offers Filed the Day After the Sale: Postsale offers filed on the day of the sale and the first business day after the sale in the Information Access Center. The BLM considers these offers simultaneously filed. When a parcel receives more than one filing by 4:00 p.m. on the day after the sale, the BLM will hold a drawing to determine the winner. Offers filed after this time period, receive priority according to the date and time of filing in this office.

Offers Filed After Parcel Integrity Period and During Remainder of Two (2) Year Period: Any filing made after the end of the month in which a sale is held may not be filed by the parcel number, but shall be filed by the legal land description. An offer filed after the end of the "parcel integrity period" may include all or a portion of a parcel or may include a combination of parcels and shall be filed in accordance with 43 CFR 3110.3-3 with respect to minimum lease offer size.

#### Withdrawing an Offer in Whole or in Part:

A presale offer may be withdrawn by the offeror at any time prior to issuance of the noncompetitive lease.

A postsale lease offer may be withdrawn by the offeror if the request to withdraw the offer is received by the proper BLM office after 60 days from the date of filing of the offer and prior to lease issuance. If a postsale offer is withdrawn after 60 days from the date of filing, the lands would continue to be available for noncompetitive leasing for the remainder of the two (2) year period.

If a public domain mineral offer is partially withdrawn, the lands retained in the offer must total (in the lower 48 states) 640 acres or one full section, or include all available lands within a section where there are no contiguous lands available.

### Do Your Homework:

Regulations pertaining to presale and postsale offers can be found at 43 Code of Federal Regulations (CFR) 3110.

#### Maximum noncompetitive offer to lease is 10,240 acres and minimum is 640 acres:

- The lands in an offer shall be entirely within an area of six (6) miles squared or within an area not exceeding six (6) surveyed sections.
- A noncompetitive offer to lease cannot be for less than 640 acres or one full section, whichever is larger.
- Contiguous lands must be included when necessary to meet the 640 acres.
- Offers for less than 640 acres are acceptable where there are no contiguous lands available for lease.
- Where an offer exceeds 640 acres, the offer may contain less than all available lands within a section.

Prior to submitting your offer, please review BLM public records to make certain that the lands are available for leasing. Examples of lands that BLM cannot place for sale include, but are not limited to, the following:

- Lands under lease;
- Lands where minerals ownership is not federally owned;
- Lands within city limits;
- Lands withdrawn from mineral leasing;
- Lands within designated or proposed wilderness areas (WSA/DWA);

- Lands within an Indian Reservation;
- Lands with mineral entry applications;
- Lands with patented mining claims;
- Lands included in an active oil and gas lease;
- Lands with non-Federally owned minerals;
- Lands offered for sale within the last two years; and
- Lands in expired, terminated, relinquished, or cancelled leases: These lands will not be available for noncompetitive leasing until they have been offered competitively in a Sale Notice for an auction and failed to receive a bid. A noncompetitive presale offer may be filed on such lands if the prior lease expired or terminated or was relinquished or cancelled at least one (1) year before the presale offer is submitted to the proper BLM State.

Acquired and Public Lands: Do not mix public domain land and acquired land. These two (2) land types cannot be issued under one lease.

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Surface Management Agencies: BLM suggests that you do not mix BLM managed surface with that of another Surface Management Agency (SMA) in an offer. Two separate offers would be preferable. As a policy, BLM will always attempt to work any land in an offer that is BLM public domain for a sale, and forward the remaining lands to the respective SMA for leasing concurrence. However, please be prepared for the situation in which responding to BLM's request for stipulations and concurrence/consent may not be high on another SMA's list of priorities. This may hold up the request for a significant amount of time. Additionally, an SMA may need to prepare or update its NEPA documentation which may require additional time.

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